

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re: Case No.: 19-31473 (ABA)
HOVATTER FRIEDMAN & SAPUTELLI & LEVI, LLP Chapter: 7
Debtor. Judge: Hon. Andrew B. Altenburg, Jr.

NOTICE OF PROPOSED COMPROMISE or SETTLEMENT OF CONTROVERSY

Andrew Sklar, Esquire, the Trustee, in this case proposes a compromise, or to settle a claim and/or action as described below. If you object to the settlement or compromise, you must file a written objection the Clerk of the United States Bankruptcy Court, and serve it on the person named below not later 7 days before the hearing date.

Address of the Clerk: U.S. Post Office and Courthouse, 401 Market Street, Camden, NJ 08101

If an objection is filed, a hearing will be held before the Honorable Andrew B. Altenburg, Jr., on May 24, 2022 at 10:00 a.m. at the United States Bankruptcy Court, Courtroom 4B, Mitchell H. Cohen U.S. Courthouse, 400 Cooper Street, 4th Floor, Camden, NJ 08101 (hearing to be scheduled for at least 28 days from the date of the filing of the notice). If no objection is filed, the clerk will enter a *Certification of No Objection* and the settlement may be completed as proposed.

Nature of Action: The Chancery Court Action was contested and following a hearing on May 7, 2018, an Order was entered on May 15, 2018, appointing Charles N. Persing, as Receiver for Hovatter Friedman, Saputelli & Levi LLP ("HFS&L") and was given the power and authority to take control of the assets of HFS&L, including to investigate all possible claims held by HFS&L, review any funds removed from HFS&L by any of the members and to oversee the potential collection of the accounts receivable of the firm, all in order to wind up the business affairs of HFS&L and liquidate its assets. The Receiver appointment was terminated by the filing of a Chapter 7 petition by HFS&L on November 14, 2019. The Estate's claims against Persing/Bederson involve the actions or inactions undertaken by Persing as the Court-appointed Receiver with responsibility and authority to take control of the assets of HFS&L, investigate possible claims held by HFS&L against third parties oversee the potential collection of the booked accounts receivable of the firm; wind up the business affairs of HFS&L and liquidate its assets as provided in the Chancery Action Court Order.

Pertinent terms of Settlement: The former state court Receiver Charles N. Persing and Bederson, LLP, will (i) pay the Estate the sum of \$175,000.00 within 20 days of entry of a Final Order; (ii) the Administrative proof of claim filed by the Receiver (Persing) in the amount of \$182,986.87 (Claim No. 3) will be withdrawn with prejudice in its entirety; and (iii) the release of claims by the Estate against Persing and Bederson, LLP related to the conduct and inaction of the Receiver in the Chancery Court Action. The Administrative proof claim of the Receiver includes professional fees and costs for services rendered by vendors at the request of the Receiver in the Chancery Court Action. The bar date for the filing of proof of claims was March 12, 2020. Receiver has not filed any other proof of claim and has agreed not to file any further proof of claim or claim against the Estate for services rendered or expenses incurred.

Objections must be served on, and requests for additional information directed to:

Name: Rudi R. Grueneberg, Esquire, Grueneberg Law Group, LLC
Address: 2 Eves Drive, Suite 208, Marlton, NJ 08053
Telephone No. (856) 267-5907